the basic stage and hence cannot compete with this host of units which have been put up. I would like to ask the hon. Minister specially whether in future he is going to make sure that Tioc is removed from the OGL and he is going to approach the Finance Ministry to see that Tioc remains no longer on OGL and also in respect of other technologies, whenever production of a particular drug or capacity for production of a particular drug from the basic stage is installed within the country, he will coordinate with the Finance Ministry to see that no such anomaly creeps in in future.

SHRI VASANT SATHE: The hon. Member will be happy to note that the concessional import duty on Tioc was withdrawn in August 1984. So this one factor has been taken care of. In addition to IDPL, we allowed other indigenous manufacturers like Gujarat Chemists, Biopharma and Alembic Chemicals; of course, the IDPL was there. And now these companies are trying to produce this drug from the basic stage, as ultimately our interest is involved; interest is in consumer, the people. If we keep on saying that it is only the IDPL which must produce it from the basic stage, till then the drug will not be available...

SHRI VISHVAJIT PRITHVIJIT SINGH: You are accusing me...

SHRI VASANT SATHE: I am not accusing you. I am saying that because of the incapacity of the IDPL to make it commercially viable to produce this, we are not starving the country of this important drug.

THE DEPUTY CHAIRMAN: Question No. 388.

SHRI N. K. P. SALVE: Madam, my question is based on commonsense.

THE DEPUTY CHAIRMAN: I have already called him.

SHRI N.K.P. SALVE: My question is based on commonsense, Madam.

THE DEPUTY CHAIRMAN: You can use that commonsense for Question No. 388. (*Interruptions*) Commonsense can be utilized. I have already asked him. (*Interruptions*)

Foreign Trade Marks in foreign collaborations

*388. SHRI DHARAM CHANDER PRASHANT:
SHRI SURESH KALMADI:

Will the Minister of INDUSTRY be pleased to state what are the reasons for putting a condition in all foreign collaborations that no Foreign Trade Marks would be used?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL DEVELOPMENT (SHRI M. ARUNACHALAM): For developing Indian brand names, use of foreign trade marks is discouraged. As a general policy, foreign trade marks are not allowed for use on products for internal sales, although there is no objection to their use on products to be exported. A condition to this effect is accordingly incorporated in all approvals for foreign collaboration.

SHRI SURESH KALMADI: Madam, this question has many ripples. I have just met the Chairman before I came here. He has allowed me to raise a certain matter after the Question Hour. My only request to you, Madam, is that the Minister of Industry must stay back after the Question Hour. Please direct him to do so.

Madam, the reply given by the Minister is stereotype. We have been noticing that numerous brand names are making a spirited come-back to the country after decades of resistence. While we have no objection to the import of technology where it is required, where we do definitely object is this import of technology for non-durable consumer goods like Maggie noodles, Old Spice, Chesterfield, Rothman, and now the Gillette Company,

†The question was actually asked on the floor of the House by Shri Suresh Kalmadi.

are making a break-through in this country under the brand name of 7 O'clock. Madam, the Minister has just now replied that foreign trade marks are not allowed for use for products for internal sale. I want to know, if this is the policy how then do you explain these trade marks which are floating round the Indian market today? My specific question to you, Mr. Minister, is regarding Chesterfield and Rathman. There are many cigarette companies in this country. Has the Government given permission to the makers of Rathman and Chesterfield cigarettes to have a brand name, and if you have not given the permission, I would like to know what action you propose to take: are you going to cancel their licence?

THE DEPUTY CHAIRMAN: He is not bothered about the blades, because he grows beard. (*Interruptions*) I wonder if he smokes.

SHRI SURESH KALMADI: I do like smoking, of Indian brands.

SHRI N. K. P. SALVE: Madam, he smokes also. (*Interruptions*)

SHRI VASANT SATHE: Madam, as we have stated in the answer, the general policy regarding trade marks is not to allow them to use foreign brand names for internal sale. There is a certification required and this applies to , what is known as, FERA Companies. The whole thing started for preventing any foreign company under the FERA regulations from draining this country of foreign exchange. That is where the regulation came in and the regulation was that without the permission of the Reserve Bank no one shall be able to use the brand name except in those accepted categories where it was meant exclusively for export, whether it is for pesticides or life-saving drugs. So, except in those categories, this was prevented. That could be done only by taking permission. But supposing, without this requirement, without coming under the purview of the FERA regulations, if a person brings and sells some cigarettes of a foreign brard name, as to under what law we shall be able to take action, today at least there is no law under which we can stop a person, who does not violate the FERA regulations, to sell goods which have an international or foreign brand name. That is the position.

SHRI SURESH KALMAD: I am surprised at the Minister's reply: He says that under the FERA regulations they can do what they like as of today.

SHRI VASANT SATHE: I didn't say that they can do....(*Interruptions*)...

SHRI SURESH KALMADI: It means what?

SHRI VASANT SATHE: Madam, this is the trouble with our young friend. He in his enthusiasm, puts cortain words in the mouth of the Ministers. This is not right.

SHRI SURESH KALMADI: Madam, I would like to have your protection in this particular matter. FERA prohibits the use of foreign brand names but permits it only if no payment is made to a particular company. I go back to this particular Chesterfied. Modi's have got this Chesterfield approved from the parent company, but FERA has no objection because no money has been paid. I want to know if the parent company allowed the use of the name Chesterfield without the Modi's having paid them a pie. How is it possible? Do you think the foreign multi-nationals are giving charity in this country? Do you think Modi's have not paid for this brand name of Chesterfield? FERA has not allowed it. I want to know how and from where did the Modi's transfer the money so that they got Chesterfield. In your laws the loopholes are so many. I want to know if the Industry Ministry has recommended to the Finance Ministry modification of FERA in this particular aspect and also if you intend to change the Trade Mark Act.

SHRI VASANT SATHE: Tthere is no proposal at present to change the Trade Mark Act. As far as the present regulations are concerned about Modi's and Chesterfiell we are not aware whether they come within the mischief of the FERA regulations and whether they have paid any considration. Unless this thing comes to notice, FERA regulations will

not become applicable. If tomorrow the honourable Member has an agreement and he gots something free, what can we do about it?

SHRI SURESH KALMADI: Has anybody got anything free?

SHRI VASANT SATHE: It depends on what consideration it is. You may have some other consideration. We are concerned with financial consideartions. If you are aware that there was some financial consideration that passed between the Modi's and Chesterfield, you can bring it to the notice of the Government and, I am sure, Government will take necessary action.

SHRI SURESH KALMADI; I am bringing it to the notice of the Government.

SHRI VASANT SATHE: This way it can't be taken notice of.

SHRI NIRMAL CHATTERJEE: Is the Minister aware that commodities which are not produced in this country, which are not allowed to be imported into this country, like Casio watches, computers etc. are advertised in our papers with their brand names? All these are advertised openly.

My question is: with what intent are these advertisements made and is the Government ready to take measures to prevent such advrtisements in our country?

SHRI VASANT SATHE: If something does not. . .

THE DEPUTY CHAIRMAN: Question Hour is over.

SHRI VASANT SATHE: Thank you very much.

WRITTEN ANSWERS TO QUESTIONS

Marketing of products under price exempted category

*382. SHRI NAND KISHORE BHATT: Will the Minister of INDUSTRY be pleased to state:

(a) what are the products being marketed by Roussel. Roche Products, Richardson Hindustan, abbott, Pfizer, May and Baker, Glaxo, Hoechst, Lyka, Warner Hindustan, Wyeth. Fairdeal Corporaiton, Ethnor, Wockhardt and Organon under price exempted category;

(b) whether it is a fact that these companies have increased the prices from 80 per cent to 300 per cent from the announcement of Price Control Order, 1979;

(c) if so, what was the price of each pack, and strength of each products in 1980 and what was the price on 31st October, 1985;

(d) whether Government verified that all these products are not covered under Price Control Order;

(e) if so, when and what procedure of verification was adopted;

(f) whether it is also a fact that instances of marketing of medicines without obtaining price approval by these companies came to Government's notice; and

(g) if so, what are the names of products and the names of Companies involved and what action Government have taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS (SHRI R. K. JAICHANDRA SINGH): (a) to (c) As of now, the companies referred to are treating 200 formulation packs as price decontrolled category. Of these formulations it is possible to compare the prices in respect of 151 packs only as these were being marketed in 1979 also. Out of these 151 formulation packs, the price increase in respect of 79 packs are between 0.50 per cent to 80 per cent.

(d) and (e) Based on the claims of the manufacturers as given in the price list about the categorisation of the products, a decision is taken in consultation with technical experts on the question whether categorisation made by the company under Drugs (prices Control) order, 1979 is in order or not.

(f) and (g) Instances of marketing price controlled formulations manufactured by these companies in violation of the provisions of the